

PLAQUEMINES PARISH ASSESSOR

Pointe-A-La-Hache, Louisiana

Financial Report

Year Ended December 31, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/12/09

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INDEPENDENT AUDITOR'S REPORT

Honorable Robert R. Gravolet
Plaquemines Parish Assessor
Pointe-A-La-Hache, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the Plaquemines Parish Assessor (hereinafter, the "Assessor"), a component unit of Plaquemines Parish Government, as of and for the year ended December 31, 2008, which collectively comprise the Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Assessor's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Assessor as of December 31, 2008, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 24, 2009, on our consideration of the Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Assessor has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The budgetary comparison schedule on page 24 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
July 24, 2009

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Statement of Net Assets
December 31, 2008

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 431,431
Receivables	
Due from other governmental units	1,031,434
Interest	5,556
Prepaid expenses	8,376
Capital assets, net	<u>2,668</u>
Total assets	<u>1,479,465</u>
LIABILITIES	
Current liabilities:	
Accounts payable	14,581
Accrued liabilities	<u>2,244</u>
Total current liabilities	16,825
Noncurrent liabilities:	
Revenue anticipation note payable	<u>44,000</u>
Total liabilities	<u>60,825</u>
NET ASSETS	
Invested in capital assets	2,668
Unrestricted	<u>1,415,972</u>
Total net assets	<u>\$1,418,640</u>

The accompanying notes are an integral part of the basic financial statements.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Statement of Activities
Year Ended December 31, 2008

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$ 860,337	\$ 1,074	\$ 68,841	\$ (790,422)
General revenue:				
Taxes:				
Property taxes, levied for general purposes				985,502
Grants and contributions not restricted to specific programs:				
Federal sources				2,099
State sources				8,900
Interest				11,717
Total general revenues				1,008,218
Change in net assets				217,796
Net assets - January 1, 2008				1,200,844
Net assets - December 31, 2008				\$ 1,418,640

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

MAJOR FUND DESCRIPTION

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Balance Sheet
Governmental Fund
December 31, 2008

	<u>General Fund</u>
ASSETS	
Assets:	
Cash and interest-bearing deposits	\$ 431,431
Receivables	
Due from other governmental units	1,031,434
Interest	5,556
Prepaid expenses	<u>8,376</u>
 Total assets	 <u>\$1,476,797</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 14,581
Accrued liabilities	2,244
Deferred revenue	<u>152,698</u>
 Total liabilities	 <u>169,523</u>
 Fund Balance:	
Unreserved and undesignated	<u>\$1,307,274</u>
 Total liabilities and fund balance	 <u>1,476,797</u>

(continued)

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Balance Sheet (continued)
Governmental Fund
December 31, 2008

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets

Total fund balance for the governmental fund at December 31, 2008			\$ 1,307,274
Total net assets reported for governmental activities in the statement of net assets is different because:			
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			152,698
Liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds			(44,000)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of			
Vehicles, furniture and equipment		19,760	
Less: Accumulated depreciation at December 31, 2008		<u>(17,092)</u>	<u>2,668</u>
Net assets at December 31, 2008			<u>\$ 1,418,640</u>

The accompanying notes are an integral part of the basic financial statements.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
Year Ended December 31, 2008

	<u>General Fund</u>
Revenues:	
Ad valorem taxes	\$ 845,793
Intergovernmental	
Federal revenue sharing	2,099
Parish reimbursements	68,841
State revenue sharing	10,706
Charges for services	1,074
Interest income	<u>11,717</u>
Total revenues	<u>940,230</u>
Expenditures:	
Current -	
General government:	
Personnel services and related benefits	704,660
Operating services	125,262
Materials and supplies	<u>28,299</u>
Total expenditures	<u>858,221</u>
Excess of revenues over expenditures	82,009
Fund balance, beginning	<u>1,225,265</u>
Fund balance, ending	<u>\$ 1,307,274</u>

(continued)

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Governmental Fund
Year Ended December 31, 2008

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of the Governmental Fund to the Statement of Activities

Total net changes in fund balance for the year ended December 31, 2008 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 82,009
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The change in net assets reported for governmental activities in the
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	
Depreciation expense for the year ended December 31, 2008	(2,116)

Revenues in the statement of activities that do not provide current financial
resources are not reported as revenues in the funds

Prior year deferred revenue on fund statements	(14,795)	
Current year deferred revenue on fund statements	<u>152,698</u>	<u>137,903</u>

Total changes in net assets for the year ended December 31, 2008 per Statement of Activities	<u>\$ 217,796</u>
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The accompanying notes are an integral part of the basic financial statements.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a term of four years. The Assessor assesses property, prepares tax rolls and submits the rolls to the Louisiana Tax Commission as prescribed by law.

The accounting and reporting policies of the Assessor conform to accounting principles generally accepted in the United States of America as applicable to governments. Such accounting and reporting procedures also conform to the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

These financial statements include only funds, activities, et cetera, that are controlled by the Assessor as an independently elected parish official. The Plaquemines Parish Government has determined that the Assessor is a component unit of the Parish Government utilizing criteria established by Government Accounting Standards Board (GASB) Statement No. 14. The Parish Government concluded that the Assessor is fiscally dependent on the Parish since the Assessor's office is located in the Plaquemines Parish Court House, the upkeep and maintenance of the courthouse is paid by the Parish Government and in addition, the Parish Government also pays some of the Assessor's operating expenditures.

B. Basis of Presentation

The accompanying basic financial statements of the Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the Assessor as a whole. These statements include all the financial activities of the Assessor. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *"Accounting and Financial Reporting for Nonexchange Transactions."*

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Assessor, and (b) grants and contributions for services offered by the Assessor. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The Assessor uses a fund to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Assessor functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The fund of the Assessor is classified as governmental. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Assessor or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The general fund of the Assessor is considered to be a major fund. The fund of the Assessor is described below:

Governmental Fund -

General Fund – This fund is the primary operating fund of the Assessor and it accounts for the operations of the Assessor's office. The general fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to Assessor policy.

C. Measurement Focus/Basis of Accounting

The amounts reflected in the general fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Assessor operations.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

The amounts reflected in the general fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recorded in the year ad valorem taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on December 31 of each year and become delinquent on January 1 of the following year. The taxes are generally collected in December, January and February of the fiscal year.

Other intergovernmental revenues and charges for services are recorded when the Assessor is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenue when earned.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time of purchase.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

D. Budget Practices

1. The Assessor prepares a proposed budget for the general fund for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Assessor.

E. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost, which approximates market.

F. Investments

Under state law, the Assessor may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Assessor may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

G. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$200 or more for capitalizing assets.

Capital assets are recorded in the Statement of Net Assets. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Furniture and equipment	5-10

H. Compensated Absences

Employees with one year of service are allowed a two week vacation annually. Three weeks of vacation are allowed after seven years of service, and employees with 15 years of service or more are granted four weeks of vacation leave. Vacation leave may not be carried forward to subsequent years.

Sick leave with pay is set at 12 days per year. Extended sick leave due to extensive hospitalization or family tragedies may be granted at the Assessor's discretion providing there is no sick leave or annual leave available. Sick leave may be accumulated.

At termination or retirement, employees are paid for vacation leave accumulated during the current year; however, sick leave is not paid. At December 31, 2008, the Assessor has no material accumulated leave benefits required to be reported in accordance with GASB Statement No. 16, "Accounting for Compensated Absences."

I. Restricted Net Assets

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

J. Fund Equity

In the fund financial statements, the governmental fund reports reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

(2) Cash and Interest-Bearing Deposits

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2008, the Assessor has cash and interest-bearing deposits (book balances) totaling \$431,431, as follows:

Deposit accounts	\$343,378
Money market account	<u>88,053</u>
Total	<u>\$431,431</u>

Under state law, deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Assessor or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties.

Deposit balances (bank balances) at December 31, 2008, are secured as follows:

Bank balances	<u>\$458,487</u>
Federal deposit insurance	370,434
SIPC insured	<u>88,053</u>
Total	<u>\$458,487</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Assessor's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. As of December 31, 2008, the Assessor's total bank balances were not fully insured or collateralized with securities held in the name of the Assessor by the pledging financial institution's agent and the Securities Investor Protection Corporation (SIPC) and are not exposed to custodial credit risk.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Revenue Anticipation Note

During 2006, the Assessor issued a revenue anticipation note in the amount of \$44,000 which remains outstanding at December 31, 2008. The note bears interest at a rate of 2.67%. The note does not require the payment of principal and interest on an installment basis. Final maturity and payment of principal and interest occurs in 2011. The revenue anticipation note is payable solely from the assessor's excess revenues.

(4) Ad Valorem Taxes

Pursuant to Act 174 of 1990, Louisiana Revised State Statute 47:1925.2 created a special assessment district to provide ad valorem taxes revenue to fund the Assessor's office.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied in June and billed to the taxpayers by the Plaquemines Parish Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the Plaquemines Parish Tax Assessor and are collected by the Plaquemines Parish Sheriff. The taxes are remitted to the Tax Assessor net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 2008, special assessment district taxes were levied at the rate of 1.2 mills, on property with assessed valuations totaling \$794,700,725.

Total special assessment district taxes levied during 2008 was \$953,642.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Receivables and Due From Other Governmental Units

Receivables and amounts due from other governmental units at December 31, 2008 consist of the following:

	<u>Receivables</u>	<u>Due from Other Governmental Units</u>
Government wide statement of net assets:		
Plaquemines Parish Sheriff -		
Ad valorem taxes	\$ -	\$ 955,507
State revenue sharing	-	7,087
Expense reimbursement	-	17,645
Plaquemines Parish School Board	-	26,180
Plaquemines Parish Government	-	19,306
Plaquemines Parish Hospital Service District No. 1	-	5,709
Interest receivable	5,556	-
	<u>\$ 5,556</u>	<u>\$ 1,031,434</u>

(6) Capital Assets

Capital asset activity for the year ended December 31, 2008 was as follows:

	<u>Balance 1/1/2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2008</u>
Governmental activities:				
Furniture and equipment	\$ 19,760	\$ -	\$ -	\$ 19,760
Less: accumulated depreciation				
Furniture and equipment	<u>14,976</u>	<u>2,116</u>	<u>-</u>	<u>17,092</u>
Net capital assets	<u>\$ 4,784</u>	<u>\$ (2,116)</u>	<u>\$ -</u>	<u>\$ 2,668</u>

For the year ended December 31, 2008, depreciation expense in the amount of \$2,116 was charged to general government.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

(7) Pension Plan

The Plaquemines Parish Assessor participates in the Assessors' Retirement Fund ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administrated by a separate board of trustees.

The system provides retirement, disability and death benefits to plan members and beneficiaries. Benefits under the system are established and amended by Louisiana state statutes. A publicly available financial report that includes financial statements and required supplemental information may be obtained by writing to the Assessors' Retirement Fund, P. O. Box 14699, Baton Rouge, Louisiana 70898.

Plan members are required to contribute 8.0 percent of their annual covered salary and the Assessor is required to contribute at the statutory rate of 13.5 percent of the annual covered payroll. The Assessor's contributions to the system for the years ended December 31, 2008, 2007, and 2006 were \$87,040, \$93,494, and \$79,687, equal to the required contribution for each year.

(8) Risk Management

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Assessor has obtained coverage from various commercial insurance companies to reduce his exposure to these risks.

(9) Post-Retirement Health Care

Plaquemines Parish Assessor provides certain continuing health care benefits for retired employees. Substantially all of the Assessor's employees become eligible for these benefits if they reach normal retirement age while working for the Plaquemines Parish Assessor. These benefits for retirees and similar benefits for active employees are provided through an insurance company, in which Plaquemines Parish Assessor pays the employees portion and half of the dependents' portion of the monthly premiums. The Assessor recognizes the cost of providing these benefits (the Assessor's portion of premiums) as an expenditure when the monthly premiums are due.

The cost benefits for 3 retirees for the year ended December 31, 2008 was \$18,943.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Notes to Basic Financial Statements (Continued)

(10) New Accounting Pronouncements

In November 2004, the Governmental Accounting Standards Board (GASB) issued Statement 45 "*Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.*" This statement requires the accrual of postemployment benefits for retired employees. The Assessor is required to implement this standard for the fiscal year ending June 30, 2010. The Assessor has not yet determined the full impact that adoption of GASB Statement 45 will have on the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Budgetary Comparison Schedule
General Fund
Year Ended December 31, 2008

	Original Budget	Amended Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:				
Ad valorem taxes	\$ 735,000	\$ 775,000	\$ 845,793	\$ 70,793
Intergovernmental				
Federal revenue sharing	1,750	2,099	2,099	-
Parish reimbursements	40,000	-	68,841	68,841
State revenue sharing	10,000	6,207	10,706	4,499
Self-generated fees	2,200	1,900	1,074	(826)
Interest income	15,000	-	11,717	11,717
Total revenues	<u>803,950</u>	<u>785,206</u>	<u>940,230</u>	<u>155,024</u>
Expenditures:				
Current -				
General government:				
Personnel services and related benefits	703,106	707,478	704,660	2,818
Operating services	51,750	109,802	125,262	(15,460)
Materials and supplies	31,700	40,350	28,299	12,051
Capital outlay	500	-	-	-
Total expenditures	<u>787,056</u>	<u>857,630</u>	<u>858,221</u>	<u>(591)</u>
Excess (Deficiency) of revenues over expenditures	16,894	(72,424)	82,009	154,433
Fund balance, beginning, as restated	<u>1,215,457</u>	<u>1,225,265</u>	<u>1,225,265</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,232,351</u>	<u>\$ 1,152,841</u>	<u>\$ 1,307,274</u>	<u>\$ 154,433</u>

See independent auditor's report.

Budgetary Basis of Accounting:

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

Budgeted amounts are as originally adopted or as finally amended by the Assessor.

INTERNAL CONTROL COMPLIANCE, AND OTHER MATTERS

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Robert R. Gravolet
Plaquemines Parish Assessor
Point-A-La-Hache, Louisiana

We have audited the financial statements of the governmental activities and the major fund of the Plaquemines Parish Assessor (hereinafter, the "Assessor"), as of and for the year ended December 31, 2008, which collectively comprise the Assessor's basic financial statements and have issued our report thereon dated July 24, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Assessor's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Assessor's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Assessor's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we considered to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Assessor's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Assessor's financial statements that is more than inconsequential will not be prevented or detected by the Assessor's internal control. We consider the deficiencies described in the accompanying schedule of audit results and findings as items 2008-01, 2008-02 and 2008-03 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Assessor's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 2008-01 and 2008-03 to be material weaknesses.

Compliance and other matters

As part of obtaining reasonable assurance about whether the Assessor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of audit results and findings as item 2008-04.

The Assessor's response to the findings identified in our audit is described in the accompanying corrective action plan for current year findings. We did not audit the Assessor's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document in accordance with Louisiana Revised Statute 44:6.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Morgan City, Louisiana
July 24, 2009

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Schedule of Audit Results and Findings
Year Ended December 31, 2008

Part I. Summary of Auditor's Results:

An unqualified opinion was issued on the financial statements.

Significant deficiencies in internal control were disclosed by the audit of the financial statements and two of the conditions are considered to be material weaknesses.

The audit disclosed one instance of noncompliance which is required to be reported under *Government Auditing Standards*.

A management letter was not issued.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Schedule of Audit Results and Findings (continued)
Year Ended December 31, 2008

Part II. Findings required to be reported in accordance *Governmental Auditing Standards*:

A. Internal Control

2008-01 - Segregation of Duties:

CONDITION: Accounting and financial functions are not adequately segregated.

CRITERIA: SAS109, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, AU §314.43 defines internal control as follows:

“Internal control is a process – effected by those charged with governance, management, and other personnel – designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT §501.03 states:

An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.”

CAUSE: The cause of the conditions is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Schedule of Audit Results and Findings (continued)
Year Ended December 31, 2008

2008-02 - Application of GAAP (generally accepted accounting principles)

CONDITION: Management and staff lack the training and expertise in the selection and application of GAAP in the financial statement preparation process.

CRITERIA: SAS112, *Communicating Internal Control Related Matters Identified in an Audit*, AU §325.18, states in pertinent part:

“Deficiencies in the following areas ordinarily are at least significant deficiencies in internal control:

Controls over the selection and application of accounting principles that are in conformity with generally accepted accounting principles. Having sufficient expertise in selecting and applying accounting principles is an aspect of such controls.”

Furthermore, AU §325.32 identifies the following as a deficiency in the design of (internal) controls:

“Employees or management who lack the qualifications and training to fulfill their assigned functions. For example, in an entity that prepares financial statements in accordance with generally accepted accounting principles, the person responsible for the accounting and reporting function lacks the skills and knowledge to apply generally accepted accounting principles in recording the entity’s financial transactions or preparing its financial statements.”

CAUSE: The cause of the conditions is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Financial statements and related supporting transactions may reflect a material departure from generally accepted accounting principles.

RECOMMENDATION: The additional costs required to achieve the desired benefit may not be economically feasible.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Schedule of Audit Results and Findings (continued)
Year Ended December 31, 2008

2008-03 – Amount Posted to Improper Period

CONDITION: Charges to credit cards for the prior accounting period were posted to the current accounting period.

CRITERIA: SAS109, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, AU §314.43 defines internal control as follows:

“Internal control is a process – effected by those charged with governance, management, and other personnel– designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT §501.03 states:

An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either annual financial statements or interim financial statements, or both.”

CAUSE: The cause of the condition is the result of a failure to review transactions, especially transactions spanning year end, for proper posting.

EFFECT: Failure to adequately post items to its correct accounting period may result in an overstatement of expenditures and possibly a budget variance for the current period. Also this may cause an increased risk that errors and irregularities, including fraud and defalcations, which are material to the financial statements may occur and not be timely detected.

RECOMMENDATION: We recommend that the Assessor implement policies and procedures that will ensure that transactions are posted to the proper accounting period.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Schedule of Audit Results and Findings (continued)
Year Ended December 31, 2008

B. Compliance

2008-04 – Delinquent Submission of Audited Financial Statements

CONDITION: Audit was not completed within six months of the close of the Assessor's fiscal year.

CRITERIA: LSA-RS 24:513(A)(5) states, in pertinent part:

"The *Louisiana Governmental Audit Guide* is a standard for audits and reviews of auditees within Louisiana and shall be produced by the society and the legislative auditor, with input from the Louisiana Municipal Association, the Louisiana Police Jury Association, the Louisiana School Board Association, and any other interested parties. Such audits shall be completed within six months of the close of the entity's fiscal year."

Additionally, Section 326.09, Review and Attestation Scope and Standards, of the *Louisiana Governmental Audit Guide* states:

"Specifically, the auditor shall report any failure on the part of the client to complete the engagement within 6 months of the close of the fiscal year."

CAUSE: The condition results from a failure to follow the requirements of LSA-RS 24:513(A)(5) and the *Louisiana Governmental Audit Guide*.

EFFECT: Failure to have review completed within six months of the close of the fiscal year places Plaquemines Parish Assessor in violation of LSA-RS 24:513(A)(5) and the *Louisiana Governmental Audit Guide*.

RECOMMENDATION: We recommend that the Assessor comply with the terms and conditions of State Statute.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

Not Applicable

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2008

A. Internal Control –

2007-01 – Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

CURRENT STATUS: See schedule of audit results and findings item 2008-01.

2007-02 – Application of GAAP

CONDITION: Management and staff lack the training and expertise in the selection and application of GAAP in the financial statement preparation process.

RECOMMENDATION: The additional costs required to achieve the desired benefit may not be economically feasible.

CURRENT STATUS: See schedule of audit results and findings item 2008-02.

B Compliance –

There were no findings previously reported under this section.

C. OMB A-133 –

This section was not applicable.

PLAQUEMINES PARISH ASSESSOR
Pointe-A-La-Hache, Louisiana

Corrective Action Plan for Current Year Findings
Year Ended December 31, 2008

A. Internal Control

2008-01 – Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

MANAGEMENT'S RESPONSE: not applicable

2008-02 – Application of GAAP (generally accepted accounting principles)

CONDITION: Management and staff lack the training and expertise in the selection and application of GAAP in the financial statement preparation process.

MANAGEMENT'S RESPONSE: The Assessor has evaluated the cost / benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interests of the Assessor to outsource this task to its independent auditors, and will review, approve, and accept responsibility for the content and presentation of the statements and related notes prior to issuance.

2008-03 – Amount Posted to Improper Period

CONDITION: Charges to credit cards for the prior accounting period were posted to the current accounting period.

MANAGEMENT'S RESPONSE: We will more closely monitor year end charges to ensure posting to the proper accounting period.

B. Compliance

2008-04 – Delinquent Submission of Audited Financial Statements

CONDITION: Audit was not completed within six months of the close of the Assessor's fiscal year.

MANAGEMENT'S RESPONSE: We feel that the appropriate documentation was provided to our auditors timely and that procedures could have been completed and the audit submitted in accordance with state statute. However, in future engagements, we will more closely monitor engagement performance to ensure the submission of audited financial statements within six months of the close of our fiscal year.